



e-ISSN: 3046-9562, p-ISSN: 3046-9619, Page 28-41

DOI: <a href="https://doi.org/10.62951/ijls.v1i4.151">https://doi.org/10.62951/ijls.v1i4.151</a>
Available online at: <a href="https://international.appihi.or.id/index.php/IJLS">https://international.appihi.or.id/index.php/IJLS</a>

Analysis Of The Effectiveness Of The Implementation Of Government Regulation Number 62 Of 2019 On The Head Of The Batam Business Agency (BP) Ex Officio By The Mayor Of Batam In The Implementation Of Regional Government

# Yunita Intan Tari<sup>1\*</sup>, Soerya Respationo<sup>2</sup>, Erniyanti Erniyanti <sup>3</sup> <sup>1-3</sup>Postgraduate Master Of Law, University Of Batam, Batam City,Indonesia

Abstract.Batam as an industrial area which development is carried out by the Batam Island Industrial Area Development Authority agency, has also been expanded into an autonomous region which later give birth to the Batam City Government. The existence of these two government agencies then creates problems in the management of Batam City in the form of overlapping / dualism of authority. To overcome this problem, the government then issued a new breakthrough by setting the Head of the Batam Concession Agency to be held exofficio by the Mayor of Batam in the hope that the implementation of his duties and authority would be more effective. Therefore, the purpose of this thesis research is first, the implementation of the Mayor of Batam ex Officio Head of Business Agency.Second, the ideal arrangement for the relationship between the Batam City Government and the Business Agency and third, obstacles in the implementation of ex officio. This type of research can be classified into the juridical sociological research type, because it wants to see the correlation between the law andwhat happens in the field so as to reveal the effectiveness of the law's application. With the research location located at the Batam Concession Agency and the Batam City Government. This research uses data sourcesin the form of primary data and secondary data, and data collection techniques are carried out by means of interviews, questionnaires and literature review. From the study, there are three main points that can be concluded. First, the Mayor of Batam, Muhammad Rudi, succeeded in implementing the central government's decision regarding the position of Head of the Batam Business Agency, concurrently ex-officio by the Mayor of Batam. Second, it is necessary to study Government Regulation Number 41 of 2021. and third, social problems, such as illegal houses, unemployment, crime, and others, arise as a result of inequality, public policy, inability to compete and others. As for the advice from the author; First, the need for Human Resource governance to support the duties and functions of each work unit Second, the need to re-assess/test the material of government regulation number 41 of 2021 and third, the need to develop IT innovation in the context of improving services and reporting.

Keywords: Dualism, Authority, Public Service, Ex-officio

### 1. INTRODUCTION

Batam City is the largest city in the Riau Islands Province, Indonesia. The Batam City area consists of Batam Island, Rempang Island and Galang Island and other small islands in the Singapore Strait and Malacca Strait. Batam, Rempang, and Galang Islands are connected by the Barelang Bridge. As a planned city, Batam is one of the fastest growing cities in Indonesia. Batam is a city that is still in the Riau Islands Province cluster. Batam, which has transformed into an industrial city, is professionally managed by BP Batam. In carrying out its duties, BP Batam is not only a regulator, but also an intermediary to connect the investment world with related parties. This aims to build a two-way communication pattern and ensure the sustainability of investment continuously. The presence of various types of industries in Batam shows that it will be highly correlated with the increase in investment value and of course the economy in Batam.

The change in status of Batam City to an autonomous region is a turning point for the relationship between the Batam City Government and the Batam Business Agency. Where in Law Number 53 of 1999 it has been mandated to issue a Government Regulation that regulates the working relationship between the Batam City Government and the Batam Business Agency. In this case, the Batam City Government is the organizer and the Batam Business Agency is "only" involved. However, until now the government has not issued a legal product in question. With the existence of autonomy rights in the Batam region, it has resulted in dualism (overlapping) of authority between the City Government and the Batam City Authority, so that the central government has to take steps by issuing Government Regulation Number 62 of 2019 concerning the Second Amendment to Government Regulation Number 46 of 2007 concerning the Batam Free Trade Zone and Free Port, but the government's decision to unite the City Government and the Batam City Authority is considered to be in conflict with laws and regulations because it can cause a conflict of interest and can result in maladministration, as evidenced by the findings of the Audit Board of Indonesia (BPK) and the Ombudsman.

On September 17, 2019, the government issued Government Regulation Number 62 of 2019 as the second amendment to Government Regulation Number 46 of 2007 concerning the Batam Free Trade Zone and Free Port. The Government Regulation then became the legal umbrella for the activities of the Batam Free Trade Zone and Free Port Council in inaugurating the Mayor of Batam as the new Head of the Batam Business Agency. This is based on the mandate of Government Regulation Number 62 of 2019 which states that, "The Head of the Batam Free Trade Zone and Free Port Business Agency as referred to in paragraph (1) is held ex-officio by the Mayor of Batam." This new breakthrough is considered as a way to resolve and end the overlapping/dualism of authority that occurs in Batam City. With the appointment of the Mayor of Batam as the head of the Batam Business Agency, it is hoped that it will accelerate development and increase economic growth, as well as provide certainty to the community and investors (in terms of licensing and infrastructure development in Batam). Based on the background description above, the author raises several problems that will be discussed further. The problems are as follows:

- 1. How effective is the implementation of government regulation number 62 of 2019 on the head of the Batam business entity (BP) ex officio by the mayor of Batam in the implementation of regional government?
- 2. How is the ideal arrangement for the relationship between the Batam City Government and the Batam Business Agency?

3. What are the obstacles faced in the implementation of government regulation number 62 of 2019 on the head of the Batam business entity (BP) ex officio by the mayor of Batam in the implementation of regional government?

Based on the formulation of the problem stated above, it can be seen that the objectives of this research are:

- 1. To find out and analyze the effectiveness of the implementation of government regulation number 62 of 2019 against the head of the Batam business entity (BP) ex officio by the mayor of Batam in the implementation of regional government.
- 2. To find out and analyze the ideal regulation of the relationship between the Batam City Government and the Batam Business Agency.
- 3. To find out and analyze the obstacles and efforts in the implementation of government regulation number 62 of 2019 against the head of the Batam business entity (BP) ex officio by the mayor of Batam in the implementation of regional government.

### 2. LITERATURE REVIEW

Regional government is the implementation of autonomous regions by regional governments and the Regional People's Representative Council or DPRD according to the principle of decentralization or transfer of authority from the center to the regions. The elements of regional government organizers are the Governor, Regent, Mayor and all regional apparatus. In the implementation of regional government, it cannot be separated from the implementation of central government, because regional government is part of the implementation of national government. Thus, the principles of implementing government also apply in the implementation of regional government, including the principles of implementing regional government in accordance with the provisions of laws and regulations on regional government.

According to Inu Kencana Safei, the principle is a basis, guideline or something that is considered the truth, which is the goal of thinking and the principle that is held. Thus, the basis of government is the basis of a government system such as the ideology of a nation, the philosophy of life and the constitution that forms the government system. Likewise, Talizi in Inu Kencana Safie mentions the understanding of the principles of government that apply in general as follows: In general, it can be said that the principles of government are stated in the guidelines, regulations.<sup>2</sup> The implementation of government is based on the principle of family

<sup>&</sup>lt;sup>1</sup> Kedudukan dan Fungsi Pemerintahan Daerah (kompas.com)

<sup>&</sup>lt;sup>2</sup> Inu Kencana Syafiie, Sistem Pemerintahan Indonesia, (Jakarta: Rineka Cipta, 2011), Hal 104.

deliberation as a guideline that results in mutual assistance, mutual respect and mutual protection in carrying out state, national and social life. People's sovereignty guides that the highest power lies with the people who are not disturbed by anyone. People's sovereignty is a reflection of the principles of democracy in the realization of freedom of opinion, speech and participation in government and so on. Democracy so as not to cause arrogance, anarchy and abuse of authority requires provisions of laws and regulations in its implementation.

Good governance is related to the implementation of central government and regional government is empowering or empowering the community through decentralization. Decentralization with regional autonomy provides opportunities for the community to play a role in improving their welfare in the region. Regional autonomy is the right and authority and obligation of autonomous regions to regulate and manage their own government affairs and the interests of the local community in accordance with laws and regulations. Thus, regional autonomy is one of the policies that supports the realization of good government. Law Number 23 of 2014 concerning Regional Government brings significant changes to the formation of regional apparatus, namely with the principle of proper function and proper size (rightsizing) based on the workload that is in accordance with the real conditions in each region in Indonesia. This principle is also in line with the principle of rational, proportional, effective, and efficient Regional Apparatus Organization (OPD) arrangement.

The grouping of Regional Apparatus Organizations (OPD) is based on the concept of forming an organization consisting of 5 (five) elements, namely the Regional Head (strategic apex), Regional Secretary (middleline), Regional Office (operating core), supporting agencies/functions (technostructure), and supporting staff (supporting staff). The Regional Office is the executor of core functions (operating core) which carries out duties and functions as an assistant to the regional head in carrying out the function of regulating and managing according to the field of government affairs assigned to the region, both mandatory and optional affairs. Based on Law Number 23 of 2014 concerning Regional Government, the Regional Head is assisted by the Regional Apparatus consisting of staff elements, implementing elements, and supporting elements. Staff elements are placed in the regional secretariat and the DPRD secretariat.

The local government also plays a role in enforcing regulations governing the operation of recreational parks in the jurisdiction of a region. The local government has the authority to implement regulations that have been formed such as laws and regulations. Regional regulations (perda) in their formation must be subject to the principles and techniques in the preparation of laws and regulations that have been determined. One of the most important

things in the formation of laws and regulations includes its basis. The basis referred to here is the basis, reason or background for why the legislation must be made. According to Bagir Manan, there are three bases used in preparing legislation in order to produce strong and quality legislation.<sup>3</sup> The laws and regulations that are made must be understandable by the community in accordance with the reality of life. According to Rosyidi Ranggawidjaja, the laws that are formed must be in accordance with the living law in society. So in such conditions, legislation cannot be separated from the social symptoms that exist in society. By looking at the social conditions that occur in society in the context of compiling legislation, there is not much direction from the institutions of power in implementing it.

Philosophical foundation is the basic philosophy or view or idea that is the basis when pouring desires and policies (government) into a plan or draft of state regulations. A formulation of legislation must receive justification (recthvaardiging) that can be accepted and studied philosophically. The justification must be in accordance with the ideals and views of society, namely the ideals of truth (idea der waarheid), the ideals of justice (idea der grerecthsigheid) and the ideals of morality (idea der eedelijkheid).<sup>4</sup>

.

### 3. RESEARCH METHOD

The type of legal research used by the author is sociological legal research, namely research that seeks to see the correlation between the law and what happens in the field. The location of the research chosen is Batam City, namely the Batam Mayor's Office and the Batam Business Agency Office. The population in this study is the Mayor of Batam, the Head of the Batam Business Agency. As for the sample used by the author is the purposive sampling technique in determining respondents and informants to be interviewed to meet the primary data needed to complete the research.

### 4. RESULTS AND DISCUSSION

The effectiveness of the implementation of government regulation number 62 of 2019 regarding the head of the Batam Business Agency (BP) ex officio by the mayor of Batam in the implementation of regional government.

The existence of two institutions based on normative rules in their respective scopes has created dualism of authority in Batam City. This has resulted in overlapping authority.

<sup>&</sup>lt;sup>3</sup> Bagir Manan dalam W. Riawan Tjandra dan Kresno Budi Harsono, Legislatif Drafting Teori dan Teknik Pembuatan PeraturanDaerah, Yogyakarta: Universitas Atmajaya, 2009.

<sup>&</sup>lt;sup>4</sup> Budiman NPD, Ilmu Pengantar Perundang-Undangan, UII Press, Yogyakarta, 2005, Hlm.33

Regional Government In Law Number 23 of 2014 concerning Regional Government, namely, "the implementation of government affairs by the regional government and regional people's representative councils that use the principle of autonomy with the broadest possible autonomy principle within the system and principles of the Unitary State of the Republic of Indonesia in accordance with the 1945 Constitution of the Republic of Indonesia (UUD 1945)". The relationship between the regional government and the central government is not only limited by the specificity and diversity of the region, but there is also an administrative relationship in public services.43 Various authorities that have been given to the Batam City Government, in accordance with the provisions of "Law Number 23 of 2014, authority in land management is the most vital thing and has been highlighted by stakeholders so far in Batam City, this condition is further exacerbated by differences in views or concepts of regional autonomy by the Batam City Government which adheres to the concept of regional control through land management authority.

The implementation of Batam autonomy has caused dualism of power between the Batam City Government and the Batam Business Entity in its implementation, thus causing various problems in the fields of licensing, land management, legal certainty and so on, thus causing losses to the community and investors, in overcoming the problem of dualism in Batam City, the central government made a choice, namely to unite the Batam City Government and the Batam Business Entity which carry out the management, development and construction of Batam City, then regulated in the provisions of Government Regulation Number 62 of 2019, the decision taken was not supported by many parties, including the Chairman of the Indonesian Chamber of Commerce (Kadin) Batam, the People's Representative Council (DPR) (Commission II), the Ombudsman also rejected the issuance of the ex-officio decision because the decision violated the rules where state administrators are prohibited from holding concurrent positions as commissioners and/or administrators in business organizations. In addition, it can cause conflicts of interest and maladministration.

Since the implementation of regional autonomy policy in Batam City, it has created an obstacle, namely the occurrence of "overlap between the Batam City Government and the Batam Islands BPK in terms of management", then in 1971 Batam Island was made an industrial area whose management was carried out by the Batam Industrial Area Authority, and carried out its function as an institution that has the responsibility to develop growth and build the infrastructure needed for the industrial area. The head of the authority is given authority in the appointment and use of all land areas (land management rights) in the Batam Island area. Batam city government handles population and community administration, while Batam

authority only handles land issues and industrial development in Batam city, then batam changed its status to an autonomous region since the implementation of the autonomy policy in Indonesia. Batam City Government after becoming an autonomous region has the right and authority to manage and regulate its own household regulations, Law Number 23 of 2014 concerning Regional Government. Regional government is run by the Regional Head, together with the Regional People's Representative Council to implement the principle of democracy. Batam area is designated as an Area.

Among the various authorities that have been given to the Batam City Government, in accordance with the provisions of "Law Number 23 of 2014 concerning Regional Government in land management is the most vital and has been highlighted by stakeholders so far in Batam City, this condition is further exacerbated by differences in views or concepts of regional autonomy by the Batam City Government which adheres to the concept of regional control through land management authority. Various types of conflicts of interest that exist and are faced by state administrators, are the existence of dual positions in several institutions, agencies, companies that have relationships, either directly or indirectly, resulting in the use of a position, for the benefit of another position. There are at least five main sources of these conflicts of interest, namely, affiliated relationships, dual positions, asset ownership, receipt of gratuities and excessive use of discretion.

That in the framework of developing the Batam Free Trade Zone and Free Port, it is necessary to regulate provisions regarding the requirements and implementation of the duties of the Head of the Batam Free Trade Zone and Free Port Management Agency, as well as provisions regarding synchronization and coordination between the Batam Free Trade Zone and Free Port Management Agency and the Batam City Government regarding activities related to the development of public infrastructure and public interest. Based on the considerations, it is necessary to amend several provisions in Government Regulation Number 46 of 2007 concerning the Batam Free Trade Zone and Free Port as amended by Government Regulation Number 5 of 2011 concerning Amendments to Government Regulation Number 46 of 2007 concerning the Batam Free Trade Zone and Free Port. Several provisions in Government Regulation Number 46 of 2007 concerning the Batam Free Trade Zone and Free Port (State Gazette of the Republic of Indonesia 2007 Number 107, Supplement to the State Gazette of the Republic of Indonesia Number 4757) as amended by Government Regulation Number 5 of 2011 concerning Amendments to Government Regulation Number 46 of 2007 concerning the Batam Free Trade Zone and Free Port (State Gazette of the Republic of

Indonesia 2011 Number 16, Supplement to the State Gazette of the Republic of Indonesia Number 5195).

The policy of appointing the Mayor of Batam as ex officio Head of the Batam Free Trade Zone Free Port Authority has succeeded in bringing the region to develop according to the wishes of the central government. Batam after being merged with the Head of the Batam Free Trade Zone Authority, ex officio, the Mayor of Batam, the speeds desired by President Joko Widodo occurred. The Mayor of Batam, Muhammad Rudi, succeeded in implementing the decision of the central government regarding the position of Head of the Batam Free Trade Zone Authority, concurrently held ex-officio by the Mayor of Batam. This success is reflected in the increasingly easy and short licensing process, as well as development that is also increasingly massive and more in line.

# The regulation ideal of the relationship between the Batam City Government and the Batam Business Agency

With the dynamics of the issuance of Government Regulation Number 62 of 2019 in the regulation on the formation of Batam City, it has been stated that after the formation of the Batam autonomous region, the Batam City Government involved the Batam Authority Agency (BP) in the implementation and development in its region. And furthermore, a legal product is needed in the form of a Government Regulation regarding the working relationship between the Batam City Government and the Batam Authority Agency (BP). However, in its journey, until now there has been no legal product as a further regulation regarding the working relationship between the two agencies. And related to the overlapping or dualism of authority that occurs, the Government has actually issued the latest regulations outside the mandate of Law Number 53 of 1999. Namely Government Regulation Number 62 of 2019 is believed to be a step to eliminate the dualism of authority for the management and development of Batam City between the Head of the Batam Business Agency and the Mayor of Batam. So that through Government Regulation Number 62 of 2019, it is regulated that the Head of the Batam Business Agency is held ex-officio by the Mayor of Batam so that the implementation of his duties and authorities will be more effective.

Head of Batam Business Agency, Muhammad Rudi welcomed the issuance of Government Regulation Number 41 of 2021 concerning the Free Trade Zone and Free Port (KPBPB). He promised to maximize the remaining quota to lead the Batam Business Agency until 2024 by accelerating development in Batam. In 2024, the Head of the Business Agency will no longer be the Mayor as the ex-officio Head of the Batam Business Agency. The

Government Regulation has been issued Number 41 of 2021. So, the Mayor will no longer serve as the Head of the Batam Business Agency. Head of the Business Agency Muhammad Rudi targets a number of social problems to be resolved in 2024. So that in 2024, he can let go of it comfortably. Problems are resolved, such as old villages, roads, and illegal houses are finished.

Government Regulation Number 41 of 2021 also revises the regulation of the Mayor of Batam ex-officio Head of the Batam Business Agency which has only been running since 2019. Muhammad Rudi was inaugurated on September 27, 2019 as the Head of the Business Agency. However, this Government Regulation does not revoke Government Regulation Number 62 of 2019 which is the basis for the regulation of the Head of the Batam Business Agency Ex-Officio Mayor of Batam. In accordance with this latest Government Regulation, there will only be one Head of the Business Agency who manages three Free Trade Zones and Free Ports (KPBPB), namely Batam, Bintan and Karimun (BBK). His position will be determined by the Chairperson of the Regional Council which will be chaired by the Coordinating Minister for the Economy, Airlangga Hartarto.

The Batam, Bintan and Karimun Area Council is authorized to form the Batam, Bintan and Karimun Area Agency and appoint the head, deputy head and members. However, unlike the draft, there is no mention of the expiration period of the three business bodies (BP) in BBK. In accordance with Article 75 of this Government Regulation, which reads; the formation of the Batam, Bintan and Karimun Business Agency is carried out based on an evaluation of the Batam, Bintan and Karimun Area Council, taking into account the terms of office of the head, deputy head, and members of the Batam Business Agency, Bintan Business Agency and Karimun Business Agency that have been formed before the enactment of this Government Regulation. In other words, the duties of the Batam Business Agency will end when the current Head of the Batam Business Agency Ex-Officio, Muhammad Rudi, completes his term as Mayor of Batam, in 2024. Article 67 of this PP also includes a plan for the development and management of Batam, Bintan and Karimun in the future. The government will prepare a master plan for the development of the Free Trade Zone and Free Port (FTZ) of Batam, Bintan and Karimun. This master plan is prepared for a period of 25 years and can be reviewed every five years or at any time according to national development needs.

Obstacles and efforts in implementing government regulation number 62 of 2019 regarding the head of the Batam Business Agency ex officio by the mayor of Batam in the implementation of regional government.

Government Regulation Number 62 of 2019 concerning the Mayor leading two different government institutions is the only one in Indonesia. One institution handles the autonomy of Batam City and the other handles the Batam Free Trade Zone and Free Port (BP Batam). Previously controlled by their respective "captains". For this reason, there needs to be a division of work areas and authorities between the Batam City Government and the Batam Business Agency. And, since President Joko Widodo signed Government Regulation Number 62 of 2019 which stated that the Mayor of Batam is ex-officio Head of the Batam Business Agency. something new in the culture of placing "BP 1" officials. Usually, this position is always the quota for people assigned from the central government.

This latest decision may be a more ideal solution than several existing options. Ending the issue of dual leadership in Batam. President Jokowi's decision was also beyond the calculations of many parties. Because this option was not a priority that was discussed in the discussion material at the limited meeting at the State Palace. The most important thing now is the effort to smooth it out. In the future, various obstacles are predicted to be relatively minimal. Every decision in Batam is no longer overlapping. It is already in the hands of one person. Especially matters related to land, various permits. The HPL for land is indeed in the hands of the Batam Business Agency. Land for investment, industry, public housing land. Including the matter of 15 thousand people's land certificates distributed by Jokowi. News has emerged that the UWT (Annual Compulsory Money) is still owed. The party who owes it is the community that receives the certificate. Meanwhile, the people hope that the UWT is free and valid forever.

For that, of course, there are many things that must be resolved by the head of the Batam Business Agency ex officio the Mayor of Batam. All of that will be done in a race against time. One of them is about the climate of ease of doing business. Especially for foreign investors, the opportunity to capture the moment of investment flow, especially those who are and will be exodus from China. This could be made a priority scale. The impact of the America-China trade war that is currently raging. Likewise with the people's dream of land ownership free of Annual Compulsory Money (UWT). This is also an agenda that Muhammad Rudi cannot forget. Various complaints from entrepreneurs, investors, shipping company associations, REI, Industry and others should be resolved. Likewise about the Land Fatwa, IPH, and others that are still piling up and have not been resolved. One more thing that is no less important: not only dualism in leadership, the stigma of the land mafia must also be ended immediately.

From the description above, it can be seen that the Batam Business Agency has contributed in various fields; from the provision of land, construction costs, and operational costs of the Batam State Polytechnic, until finally the Batam Polytechnic became the Batam State Polytechnic under the guidance of the Ministry of Education. The Batam State Polytechnic was once the Faculty of Engineering of the Raja Ali Haji Maritime University of the Riau Islands, but then returned to being its own educational institution, namely the Batam State Polytechnic. Now the university continues to develop itself following the development of needs and fields in accordance with the labor market. The implementation of KSB and RSS with affordable costs and special rates, greatly helps entrepreneurs to provide housing for workers. Entrepreneurs can rent flats built by the Batam Business Agency. Certificates to residents of Kampung Tua are also given in order to reduce social jealousy and also appreciate the Kampung Tua community who have contributed to the development and development of Batam Island.

It can be underlined that the Batam Business Agency can realize the creation of industrial, trade, service and tourism areas as well as ship transfers, absorb labor, the formation of the Batam City Government and the Riau Islands Province. With the ability to generate income for its own household needs, the Batam Business Agency can finance operations and carry out infrastructure development as well as manage and operate its assets to serve the interests of the community, such as managing ports, airports, hospitals, water supply, land management and other building assets. The Batam Business Agency is often a pilot project for the implementation of national policies, for example: the implementation of SPIPISE (Electronic Investment Licensing Information Service System), OSS (Online Single Submission) and Public Service Mall, most recently BLE (Batam Logistics Ecosystem). During the Covid-19 pandemic, the Batam Business Agency played a massive role both in social assistance for handling communities affected by Covid-19 and maximizing the existence of assets to help handle the quarantine of Indonesian Migrant Employees from Singapore and from Malaysia and Thailand who will return to Indonesia, as well as facilitating people who must carry out self-isolation.

### 5. CONCLUSION AND SUGGESTION

### **Conclusion**

Based on the discussion in the previous chapter, the following conclusions can be drawn:

a. The policy of appointing the Mayor of Batam ex officio as the Head of the Batam Free Trade Zone and Free Port Authority has succeeded in bringing the region to develop according to the wishes of the central government. Batam after being merged with the Head of the Batam Free Trade Zone and Free Port Authority, the speed desired by President Joko Widodo has occurred. The Mayor of Batam, Muhammad Rudi, has succeeded in implementing the decision of the central government regarding the position of the Head of the Batam Free Trade Zone and Free Port Authority, concurrently held exofficio by the Mayor of Batam. This success is reflected in the increasingly easy and short licensing process, as well as development that is also increasingly massive and more harmonious.

- b. The ideal regulation of the relationship between the Batam City Government and the Batam Free Trade Zone and Free Port Authority is carried out by integrating the Batam, Bintan, and Karimun Free Trade Zone Authority (BP BBK) by issuing Government Regulation Number 41 of 2021 as a form of further regulation regarding the working relationship between the Batam City Government and the Batam Free Trade Zone and Free Port Authority. And the Batam Authority will be subject to existing regulations. The focus of the Batam Business Agency remains on the duties and functions of the Batam Business Agency as the manager of the area to make Batam a competitive area in terms of economy and human resources. Continue to strive to improve services to investors and the community, prepare Batam for the future, by expanding investment areas, preparing its utilities, so that investment can continue to be sustainable, considering that Batam City has developed rapidly with very rapid population growth. Later, the Batam Business Agency will need new areas to expand investment. This is the focus of the Batam Business Agency, regardless of what the central government's policies are in the future. The Business Agency will focus on working according to its duties and functions.
- c. The obstacles faced after President Joko Widodo signed Government Regulation Number 62 of 2019 are social problems, such as ruli, unemployment, crime, and others, arising as a result of disparities, public policies, inability to compete and others, not only becoming a problem for the Batam Business Agency, but also a common problem, therefore it is hoped that all relevant stakeholders can build a shared vision and mission to take the same steps to solve these social problems.

## **Suggestion**

From this conclusion, the author can provide several suggestions, namely:

- a. The need for Human Resources governance to support the duties and functions of each work unit in the Batam Business Agency and the Batam City Government.
- b. The need for a review/material test of government regulation number 41 of 2021

concerning the Implementation of free trade and free ports in its implementation so that there is no conflict or deviation from the objectives, targets or targets of this Ex-Officio policy for the development of domestic port infrastructure, both in terms of its implementation practices, and support from the central and regional governments to complete the human resources, facilities, means and infrastructure needed in the infrastructure development process in Batam City. The need for regulations governing the working relationship between BP Batam and other stakeholders so that they can synergize in building Batam's economy;

c. The need for IT innovation development in order to improve services and reporting.

### 6. REFERENCES

Ali, A. (2012). Menguak teori hukum (legal theory) dan teori peradilan (judicialprudence). Kencana Prenada Group.

Bahsan, M. (2007). Hukum jaminan dan jaminan kredit perbankan di Indonesia. PT Raja Grafindo Persada.

Djumhana, M. (2003). Hukum perbankan di Indonesia. PT Citra Aditya Bakti.

Efendi, A., & others. (2017). Teori hukum. Sinar Grafika.

Muhammad, A. (2016). Etika profesi hukum. PT. Citra Aditya Bakti.

Muljadi, K., & Widjaja, G. (2006). Hak tanggungan. Kencana Prenada Media Group.

Penjelasan atas Peraturan Pemerintah Republik Indonesia Nomor 18 Tahun 2016 Tentang Perangkat Daerah Bagian 1 Umum.

Peraturan Pemerintah Republik Indonesia Nomor 41 Tahun 2021 Tentang Penyelenggaraan Kawasan Perdagangan Bebas dan Pelabuhan Bebas.

Peraturan Pemerintah Republik Indonesia Nomor 62 Tahun 2019 Tentang Perubahan Atas Peraturan Pemerintah Nomor 46 Tahun 2007 Tentang Kawasan Perdagangan Bebas Dan Pelabuhan Bebas Batam.

Salim, H. S. (2001). Perkembangan hukum jaminan di Indonesia. PT Raja Grafindo Persada.

Salman, O. (2015). Ikhtisar filsafat hukum. Armico.

Suhardi, G. (2003). Usaha perbankan dalam perspektif. Kanisius.

Undang-Undang Nomor 23 Tahun 2014 tentang Pemerintahan Daerah, Lembaran Negara Republik Indonesia Tahun 2014 Nomor 244, Tambahan Lembaran Negara Republik Indonesia Nomor 5587.

Undang-Undang Nomor 53 Tahun 1999 tentang Pembentukan Kabupaten Pelalawan, Kabupaten Rokan Hulu, Kabupaten Rokan Hilir, Kabupaten Siak, Kabupaten Karimun, Kabupaten Natuna, Kabupaten Kuantan Singingi, dan Kota Batam, Lembaran Negara Republik Indonesia Tahun 1999 Nomor 151, Tambahan Lembaran Negara Republik Indonesia Nomor 3902.

Widjaja, A. W. (2016). Administrasi kepegawaian. Rajawali.